

C **Memorandum**

California Public Employees' Retirement System

Date: April 17, 2007

To: CalPERS Board of Administration

From: Sandra Felderstein, Chief
Office of Health Policy and Program Support
Health Benefits Branch

Subject: 2008 Basic Plan Benefit Design Proposal (Agenda Item 5, HBC April 17, 2007)

Attached please find three documents providing additional information to supplement the basic plan benefit design agenda item. Please note that all the numbers are estimates.

- The first document answers the question: "What is the Value of the Proposed Basic Plan Benefit Design to CalPERS Members?" Using 2007 Blue Shield basic premiums, the document provides an explanation of the services for which the total package premium savings can pay, by single subscriber, two-party subscriber and family subscriber.
- The second document provides fact sheets (based on 2007 premiums), for Blue Shield, WHA, Kaiser, and PERS Choice. The fact sheets present, for each benefit design change, the premium impact, total program savings, annual member savings (by single subscriber, two-party subscriber and family subscriber), average annual utilization statistics, total employer savings, and, state employer and public agency employer savings. The utilization statistics represent utilization during calendar year 2005, the most recent full year of service in our database.
- The third document provides answers to questions posed by CalPERS Board members at the March Health Benefits Committee meeting.

Attachment